



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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#BeefsOnMyPlate Campaign Kicks Off

NCBA launched a Twitter campaign this week called #BeefsOnMyPlate, which is meant to serve as a grassroots approach of reaching Agriculture Secretary Tom Vilsack and Health and Human Services Secretary Sylvia Burwell about keeping lean meat in the recommendation of a healthy dietary pattern.

Please support this effort by posting pictures of lean beef on your plate using #BeefsOnMyPlate on Twitter. Be sure to include @secburwell and @usda in your tweets. The idea is to showcase how beef fits in a variety of healthy and calorie-conscious diets and to show the Secretaries that lean beef needs to be more than just a footnote in the guidelines. This campaign applies a different form of engagement but does not diminish the importance of submitting comments and will not replace comments.

TCFA needs you to submit comments today urging the Secretaries to re-instate the 2010 Dietary Guidelines recommendation on lean meat. To make sure your voice is heard on this critical issue, go to www.tcfa.org and click on the Dietary Guidelines banner at the top of the page. There you will find talking points and drafted comments to use at your discretion. The last day to submit comments is May 8. To view the Dietary Guidelines Advisory Committee's full report, go to <http://tinyurl.com/dqac-report>.

Texas House Approves University Construction Bonds

On Thursday, the Texas House of Representatives approved a package of bonds (HB 100) worth \$3.1 billion to support construction projects at state universities. The bonds are secured with tuition revenue, but the Legislature approves them and has historically used general revenue to pay them off.

The bill, introduced by Rep. John Zerwas (R-Richmond), would allow the University of Texas System to issue \$927.6 million worth of bonds and the Texas A&M University System to issue \$805.8 million worth of bonds, while the systems governing the University of Houston, Texas State University, the University of North Texas and Texas Tech University would be able to issue bonds worth at least \$250 million each.

Of the amount authorized for the Texas A&M University System, \$38.2 million is dedicated to West Texas A&M University for an agriculture sciences complex, which will include a new meats lab and animal handling demonstration and education area.

The Senate is expected to consider, as early as next week, a similar bill (SB 150) introduced by Sen. Kel Seliger (R-Amarillo). Many lawmakers want to avoid the fate that tuition revenue bonds have suffered in recent years. Although these bonds have enjoyed broad support, the Texas Legislature has not approved the issuance of tuition revenue bonds in a decade, causing many campuses to delay construction projects.

Texas House Announces Tax Cut Plan

Setting up a pointed debate between the Texas House and Senate on the best way to cut taxes, House Republicans on Wednesday unveiled a \$4.9 billion plan to cut both the state sales tax and the margins tax paid by businesses. House Ways and Means Committee Chairman Dennis Bonnen (R-Angleton) laid out a plan centered on cutting the state sales tax rate from 6.25 percent to 5.95 percent. It would be the first state sales tax rate cut in Texas' history, Bonnen said. He estimated that the rate cut would reduce state revenues by \$2.3 billion over the next two years and save the average family of four \$172 per year.

Bonnen also proposed more than \$2 billion in cuts to the franchise tax rate, largely through a 25 percent across-the-board cut to that tax.

The Senate's \$4.4 billion proposal would cut property taxes by more than \$2 billion, rather than targeting the sales tax. That measure is estimated to provide the average homeowner \$206 in savings in the first year. Because the property tax is a local tax, the Senate plan would have to pay school districts to cover their losses in local tax revenue.

The Senate has backed cutting the business franchise tax by 15 percent and exempting businesses that make less than \$4 million annually from the franchise tax altogether. Currently, only businesses making less than \$1

million annually are exempt from the franchise tax. Find the full story at <http://tinyurl.com/tax-cut-plan>, and view a comparison of the two tax relief plans at <http://tinyurl.com/compare-tax-relief-plans>.

Bills in the 84th Texas Legislature

TCFA is tracking a number of bills this legislative session that could impact cattle feeding and agriculture in general. Visit www.tcfa.org/policy to find links to those bills divided into relevant subject areas. To read one of the bills on these lists, go to <http://tinyurl.com/bill-lookup> and enter the bill number into the search box. You can also use this site to access information about members of the legislature and access live and archived video broadcasts of committee meetings and floor proceedings.

Window Closing on Trade Deal; Vilsack Calls Ag Stakeholders to Lobby for TPA

Agriculture Secretary Tom Vilsack said last Friday that time is running out to move trade promotion authority (TPA) through Congress and to pass the Trans-Pacific Partnership (TPP) before year's end, so he is calling on agricultural producers and small business owners to personally lobby Congress to help promote the process.

There are 70 agricultural organizations urging Congress to pass TPA, also known as fast-track authority, and get TPP completed and submitted to Congress for approval; however, he urges that 30 percent of all U.S. agriculture sales are connected to export markets, and producers need to engage by attending town hall meetings, making phone calls and sending emails to legislators explaining the importance of expanding U.S. export markets.

"There is serious opposition to trade promotion authority and trade agreements (and) that opposition is organized," Vilsack said. "We need a correspondingly well-organized and powerful counter message... from small business."

TPP, which is a treaty with 11 other Pacific Rim nations, would build on the successes of the North American Free Trade Agreement and grant U.S. agriculture producers access to an export market worth an estimated \$123 billion. According to Vilsack, without TPA, the U.S. faces difficulty concluding TPP negotiations, because "our trading partners can't be assured that the deal won't be subject to modification or amendment." TPP is an opportunity to reach 525 million middle-class customers in Asia, a number that is projected to reach 3.2 billion over next 15 years.

Vilsack also stressed that TPP negotiations give the U.S. an opportunity to lead the discussion on labor rights, environmental standards and intellectual property protections, as well as advocating for science- and rule-based trade regulations. Read more at <http://tinyurl.com/window-closing>.

Japan, Korea, Mexico Fuel Beef Export Results

Severe congestion lingers from the West Coast ports labor dispute that slowed container traffic over the past four months, but February exports of U.S. beef, pork and lamb bounced back to some degree from the totals posted in January, according to data released by USDA and compiled by the U.S. Meat Export Federation (USMEF).

February beef exports totaled 82,991 metric tons (mt) – down 3 percent year-over-year but a 4 percent improvement over January. Export value of \$535.3 million was up 12 percent from a year ago and 6 percent higher than in January. January-February volume was 162,890 mt, down 11 percent from the first two months of 2014, while value was 4 percent above last year's pace at \$1.04 billion.

February beef exports accounted for 14 percent of total production and 11 percent for muscle cuts only – ratios similar to a year ago, but higher than in January. Export value per head of fed slaughter was \$318.26 in February (up 15 percent from a year ago) and \$293.47 for January-February (up 12 percent).

Beef exports to Japan rebounded significantly in February, up 11 percent from a year ago in volume (15,933 mt) and 23 percent in value (\$112.6 million). For the two-month period, exports to Japan were still down 1 percent in volume (29,743 mt) from a year ago but increased 11 percent in value (\$204.1 million).

The trend was similar for South Korea, as February exports were up 16 percent in volume (10,899 mt) and 24 percent in value (\$80.4 million). January-February exports were still 7 percent lower in volume (17,972 mt) but increased 3 percent in value (\$137.9 million). Mexico posted another strong month, driven by large beef variety meat exports. February exports to Mexico were 18,555 mt (up 7 percent), valued at \$93.6 million (up 5 percent). Two-month totals were up 3 percent in volume (38,768 mt) and 9 percent in value (\$198.7 million).

Complete January-February export results are available at <http://tinyurl.com/jan-feb-export>.

USDA Expands Agriculture Trade with Mexico and Peru

Agriculture Secretary Tom Vilsack announced today that the USDA has recently reached trade agreements allowing U.S. beef and pork producers greater access to consumers in Mexico and Peru. The agreements take effect immediately, allowing U.S. producers to export slaughter cattle to Mexico for the first time in over a decade and to expand access to consumer markets in Peru for U.S. fresh and chilled pork.

The USDA has been working with Mexico since 2008 to reopen this market, and the final agreement was reached between USDA Under Secretary Ed Avalos and Enrique Sanchez-Cruz with SAGARPA during meetings this week in Washington, D.C. Find more information at <http://tinyurl.com/peru-mexico-trade>.

Vietnam Removes Restrictions on U.S. Beef

Vietnam recently removed all cattle age and product restrictions on U.S. beef and beef products, provided these items are derived from cattle slaughtered on or after March 27. The Agricultural Marketing Service Export Verification (EV) program is no longer required for these products.

Vietnam is a small market for U.S. beef and beef variety meat, with exports in 2014 totaling 2,869 metric tons (mt) valued at \$22.1 million; however, removal of cattle age and product restrictions is a positive development, especially in a market that is rather price-sensitive.

“It is encouraging whenever a trading partner removes BSE-related restrictions and grants full access to its market,” said Thad Lively, USMEF senior vice president for trade access. “This indicates that the ongoing educational efforts of our U.S. trade officials are paying dividends, as well as the negligible BSE risk status granted to the U.S. by the OIE in May of 2013.”

Lively noted that having access to Vietnam for a full range of beef products will allow the U.S. industry to better capitalize on any market access gains resulting from the Trans-Pacific Partnership.

USDA Seeks Nominees for Cattlemen’s Beef Board

The U.S. Department of Agriculture is seeking nominations to serve on the Cattlemen’s Beef Board. There are vacancies for 33 producer and importer member positions on the 2016 Board in a number of states, including Texas, New Mexico and Oklahoma. Any U.S. beef producer that owns cattle, or any importer who imports cattle or beef, can be considered for nomination. All eligible individuals are invited to seek nomination by June 5, 2015. They must be nominated by a USDA certified producer organization and submit the appropriate paperwork.

Composed of 100 members representing 35 states and six geographically contiguous units, the board administers a research and promotion program authorized by the Beef Promotion and Research Act of 1985. The Secretary of Agriculture selects appointees from producers and importers nominated by certified producer organizations. For more information, visit <http://tinyurl.com/cbb-nomination>, or contact Angie Snyder, Deputy Director of Research and Promotion Division; Livestock, Poultry, and Seed Program, AMS, USDA by phone (202) 680-3714 or email at Angie.Snyder@ams.usda.gov.

TCFA Says Goodbye to Charlie Koontz

Past TCFA President Charles Earl Koontz, 85, of Horseshoe Bay, passed away on April 4 in Amarillo. He was a longtime leader and early pioneer in the cattle feeding industry, who served as President and General Manager of Olton Feedyard, Inc. for many years and was a partner in C Bar Feedyard.

In addition to his TCFA involvement, he served on NCBA’s Board of Directors and on the Executive Committee. He also served on the National Live Stock and Meat Board, as well as the Texas Animal Health Commission. Please join us in keeping the Koontz family in your thoughts and prayers. Charlie’s obituary can be viewed at <http://tinyurl.com/charles-earl-koontz>.

2015 TCFA Safety Award Contest

It’s time to consider which ideas you will submit in the 2015 TCFA Safety Award Contest. The employee(s) with the winning idea will receive \$1,000, a jacket and a recognition luncheon for all employees held at the feedyard. The submitting feedyard will also receive a plaque. Second place will receive \$500, a jacket, a recognition luncheon for the feedyard and a plaque. Third place will be awarded \$250, a jacket and a plaque.

Remember, the idea does not have to be originally created by the employee; it just has to be discovered and implemented by the feedyard. There is no limit to the number of applications a feedyard may submit, and ideas not chosen in previous years may be resubmitted. In the case of duplicate entries by separate feedyards, the first one to submit the idea will receive the credit in the contest. All ideas will be shared with TCFA member feedyards, as TCFA’s Best Safety Practices program encourages employees to develop safety ideas and help share safety habits among feedyards.

View the English version of the Safety Award flyer at <http://tinyurl.com/sa-flyer-english> and the Spanish version at <http://tinyurl.com/safety-awards-spanish>. Make sure to submit your Best Safety Practices applications, which can be found at <http://tinyurl.com/2015-sa-app>, by the deadline of Friday, May 29, 2015.

TCFA BQA Cattle Care & Handling Seminar

TCFA, in conjunction with Texas A&M AgriLife Extension Service, will host a Beef Quality Assurance (BQA) Cattle Care & Handling seminar for member feedyards on April 21 at Dawn Cattle Feeders in Dawn.

Dr. Ted McCollum will present the principles of cattle handling, movement of non-ambulatory cattle and proper euthanasia of cattle with an emphasis on cattle flight zone, point of balance, basic instincts of cattle and human interaction. A safety component of the program will be presented by TCFA's Brady Miller. Dr. Ron Gill will present a session on processing cattle, including key concepts like the importance of facility design, understanding the capacity and capabilities of the facilities available, establishing cattle flow, working cattle in the box vs. the tub and ensuring proper handling and movement of cattle from the first day of arrival until they are shipped out.

Attendees can attend either the morning session from 9:00 a.m. to noon, or the afternoon session from noon to 3:30 p.m. Registration begins at 8:30 a.m. The same information will be covered in the morning and afternoon sessions, and lunch will be provided for everyone.

Attendees will receive signed training logs that can be used to fulfill the TCFA BQA requirements for annual employee training. The registration fee is \$30 per person or \$100 per feedyard for unlimited employees. The deadline to register is April 15. For more details, go to <http://tinyurl.com/cattle-care-bqa-sem>.

Grain Grading Workshop

Texas A&M AgriLife Extension Service will hold two one-day workshops at the Texas A&M AgriLife Research and Extension Center in Amarillo that will focus on grain grading, grain grading standards, proper sampling techniques and how to identify different types of damage. Participants can choose to attend the workshop on May 5 or May 6, as they are identical programs. The workshops, which are co-sponsored by TCFA, Texas A&M AgriLife Extension Service and Panhandle Grain and Feed Association, will run from 9:00 a.m. to 4:30 p.m. and can count toward the TCFA BQA training for feedmill/feed department employees. The cost of the workshop is \$75 per participant. Pre-registration is required. View the brochure at <http://tinyurl.com/2015-grain-grading-brochure>.

2015 Fed Beef Challenge

The 2015 Fed Beef Challenge is next week! Be sure to join us at the Amarillo Livestock Auction on Wednesday, April 15 as area feedyards compete with pens of cattle for awards, cash and bragging rights. Don't miss out on the live evaluation contest, steak dinner and activities benefiting TCFA's Education Foundation. For more information, visit <http://tinyurl.com/tcfafbc> or contact Jason Slane at (806) 358-3681 or jason@tcfa.org.

2015 Junior Fed Beef Challenge

Students planning to compete in the 2015 Junior Fed Beef Challenge must have all official entries to the TCFA office next week. The deadline to submit official entries is Friday, April 17. The Junior Fed Beef Challenge encourages young people to gain practical experience in feeding commercial beef cattle and stresses the importance of proper animal husbandry and financial management. Students will compete for more than \$20,000 in scholarships, cash and prizes in four phases of the event, including carcass merit, record keeping, written exam and oral presentation or interview. Find contest details at <http://tinyurl.com/tcfajfbc>.

2015 TCFA Feedyard Camp

TCFA, in conjunction with Texas A&M AgriLife Extension Service and West Texas A&M University, will host the 2015 Feedyard Camp on June 29 – July 1 in Canyon. This three-day extensive program is open to incoming high school juniors and seniors who are interested in pursuing a career in the fed beef industry. Applications can be found online at <http://tinyurl.com/fy-camp> and must be returned to TCFA by May 1. The registration fee for camp is \$100, which covers all costs excluding travel to and from Canyon. Contact Jason Slane at jason@tcfa.org or Jayce Winters at jayce@tcfa.org with any questions.

TCFA Dues Rebate Deadline April 15

If you fed 10,000 head or more in 2014 and want to apply for a dues rebate, your application must be completed and returned to the TCFA office by **Wednesday, April 15**. The rebate applies to the cumulative number of cattle fed by a single feeding entity. For more information, contact Jason Slane at (806) 358-3681 or jason@tcfa.org.

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